

January 31, 1974

PRESIDENT: Very good. The Chair recognizes Senator Fred Carstens for 730.

SENATOR FRED CARSTENS: Mr. President and members of the Legislature. LB 730 is a bill that has to do with the structures, the building structures known as condominiums, and in the event that there is some misunderstanding about what a condominium may be, in order to clarify it to get us all on the same track, I want to briefly explain that a condominium is essentially an apartment building, an apartment house. Building made up into apartments. But instead of the apartment being rented, a one individual owner or a corporate owner, or one landlord with tenants, the apartments belong to the occupant. The occupant owns that section of the building that he..he or she occupies out right. He may buy..he buys this..he may sell it at his own wish or will at his own discretion. He may leave it to his heirs. He may give it to someone as a gift. He may mortgage it. Do any and all things that can be done with property that is owned outright by an individual. Now this is a rather new relatively new concept in this part of the country. It started on both coasts and has become very popular because the apartment owners also own in common with the his or her proportionate share the..all other things connected with this condominium. They own the proportionate share of the ground. If they have a parking lot they own a proportionate share of that. If they have a swimming pool they own a proportionate share of that. He owns a proportionate share of the hallways, the roof and all this and that. Now, in our Nebraska law which was adopted only in 1963, it's rather odd but before 1963 we didn't have such a thing as condominiums in this state. But at that time it was confined almost entirely to property, apartment houses which were built on a tract of ground, a single apartment house built on a single tract of ground. Now since that time it has become as experience dictates in various parts of the country, it is not always a good plan, or is it always feasible, or economical nor acceptable that apartments, that only one building be put on a tract of ground. It may be better that 5 - 10 unit apartments be built on 5.. in 5 different than one 25 unit apartment on one tract. So this..the amendment in this bill this amends the present condominium act. The amendments on this bill would do a number of things. One, it would allow more than one apartment to be built on a single tract of ground. In other words clusters, where the common...with common usage. A common laundry, for example, or a common dispensary, or a common whatever it is, that's more in the cluster could use. Common recreation area, common lounge etc. And now also it would permit, instead of having the property having to be built on property owned, in fee simple by the builder, it could be on leased ground. And a lot of these condominiums are being built on long term leases in areas where real estate is really expensive and high priced. Now that's another change this makes, it would permit them for more than one building and it would permit leasing..building or construction on leased ground. Another feature..change in this bill is at the present time each apartment owner, for example if he has fire or hazard insurance of any kind he must carry his own insurance policy. Under this amendment it would be possible for the owners in common or jointly to buy insurance health..fire insurance..health..accident insurance etc. Liability insurance. And each would then pay his and her proportionate share. However, it also permits an apartment owner, even though